

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Neutral, note concerns

BILL NUMBER: AB 75
AUTHOR: J. Hill

BILL SUMMARY: Documents: Notaries Public: Solicitations

Current law generally prohibits nongovernmental entity solicitations from containing any terms or symbols that can reasonably be interpreted as implying any state or local government connection, approval, or endorsement. A violation of these prohibitions is a misdemeanor.

This bill would require the disclaimer currently required on solicitations and mailings to be conspicuously displayed apart from other print in the solicitation, on the front and back of every page of the solicitation, on the envelope, on the cover, or wrapper in which the solicitation is mailed. The bill would prohibit the use of certain verbiage in the solicitation's title including "federal", "state", "county", or "municipal", and would prohibit the use of certain verbiage in the text of the solicitation including "payment due" and "pay immediately".

This bill would revise laws regarding notarizing certain documents to reduce the use of certain fraudulent solicitations and other frauds.

This bill would specify that a violation may be punished by a fine of up to \$2,500, or by up to six months in county jail. The bill also would authorize an individual harmed by violation of its provisions to recover three times the amount solicited in damages.

FISCAL SUMMARY

This state-mandated bill is not reimbursable because violations of its provisions would constitute a crime.

Under Section 6(b) of Article XIII B of the California Constitution, any costs to a unit of local government which result from legislation defining a new crime or changing an existing definition of a crime are not reimbursable by the state. In addition, Section 17556(g) of the Government Code provides that the Commission on State Mandates shall not find a reimbursable mandate in such legislation which eliminated a crime or changed the penalty for a crime. Therefore, any local government costs resulting from the mandate in this measure would not be state-reimbursable, because the mandate only involves the definition of a crime or the penalty for conviction of a crime.

COMMENTS

Finance notes the following concern:

- This bill is intended to combat certain fraudulent solicitation schemes, but may have unintended effects on legitimate business practices.

Analyst/Principal (0760) C. Hill	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)**Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

J. Hill

Original

AB 75

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2010-2011	FC	2011-2012	FC	2012-2013	Code
0001/Major Rev	LA	No	----- No/Minor Fiscal Impact -----						0001